

900 North Redwood Roa North Salt Lake, Utah 84054-070 (801) 292-716

January 3, 2008

Ms. Susan M. White Mining Program Coordinator Department of Natural Resources State of Utah Division of Oil Gas and Mining P.O. Box 145801 Salt Lake City, UT 84114-5801

Subject:

South End Run-Off Management - M0350020

Dear Ms. White:

This letter is in follow up to a site inspection held on December 4th, 2007 at the Lakeview Rock Products gravel pit in North Salt Lake. Ms. Beth Ericksen conducted the inspection for DOGM. During the inspection Ms. Ericksen indicated that Mr. Mike Dally of Staker & Parson Companies had complained to DOGM that they were managing Lakeview run-off on the south end of the property, and that this was a problem for Staker & Parson Companies.

Subsequent to the complaint communicated by Ms. Ericksen, there have been numerous conversations between Mr. Scott Hughes and myself from Lakeview and Mr.'s Scott Parson and Randy Anderson from Staker & Parson. The summary of these conversations centered on the long standing positive relationship between our two companies and the associated cooperative and collaborative approach we apply in dealing with all issues that jointly affect us.

The issue of the south end run-off is one of these joint issues and both parties agree that the issue is being managed jointly. Please be advised that during the time of the Staker & Parson inspection that there was some re-organization of personnel at Staker & Parson and during that transition Mr. Dally may not have had a full understanding of the entirety of our collaborative efforts.

I encourage you to follow up with Staker & Parson to confirm these understandings that we have presented to you in this response. Please feel free to give me a call with any questions you may have.

Sincerely,

Lakeview Rock Products, Inc.

John Burggraf Vice-President

CC:

Kevin Watkins - General Counsel, LRP Beth Ericksen - DOGM

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DIV. OF OIL, GAS & MINING